

REMARKS

Claims 1-7, 10, 11, 15, 16, 27, 35-36, and 37 are rejected under 35 USC 102(e) as being anticipated Mizrah (US Patent no. 7,379,916).

Claims 8, 17-26, 33 and 34 are rejected under 35 USC 103(a) as being unpatentable over Mizrah in view of Drummond (US Patent No. 7,025,256).

Claims 9, 12-14 are rejected under 35 USC 103(a) as being unpatentable over Mizrah, Drummond and Beigel (US Patent No. 2003-0174049).

In accordance with the foregoing, the claims have been amended, and thus, pending claims remain for reconsideration which is respectfully requested. No new matter has been added in this Amendment.

An Examiner interview was conducted on October 8, 2008.

The independent claims are 1 and 37. For example, the present Application paragraph 199+, 243 (523) (Private Identification Entry), 239-259, 474-503, and FIGS. 57-63 support the claims. See for example, paragraph 487.

Claims 1 and 37 are amended for clarity taking into consideration the Examiners' comments.

The language of claim 1 provides "a ~~consumer-operated~~ mobile device of the consumer, the consumer mobile device comprising a ~~computer~~ controller prompting input of **a first input non-stored and non-transmitted parameter** and a storage **storing a second non-transmitted parameter**" and "the ~~consumer mobile device and the STS device controllers~~ **verify** a purchase transaction between the merchant and the consumer **over the open and non-secure wireless communication channel** based upon **both the first input non-stored and non-transmitted parameter input to of the consumer mobile device and the second stored and non-transmitted parameter of the consumer mobile device**"

Mizrah columns 9-10 and FIG. 4 relied upon by the Office Action discuss a financial account holder establishing an authentication session with the financial institution back office using an account number and a PIN. In Mizrah, the account number and the PIN are delivered from the device of the account holder to the back office, which is illustrated in FIGS. 6 and 8 and column 12, lines 1-51. A prima facie case of anticipation based upon Mizrah cannot be established, because Mizrah fails to disclose expressly or inherently (fails to necessarily require) the combination of the present claimed elements, namely "**consumer mobile device and the**

STS device controllers verify a purchase transaction ... based upon ***both the first input non-stored and non-transmitted parameter input to of the consumer mobile device and the second stored and non-transmitted parameter of the consumer mobile device.***" In other words, the language of claim 1 requires two parameters, namely a "***input non-stored non-transmitted parameter input to*** of the consumer mobile device," which in contrast to Mizrah is not stored and not transmitted, and a "***second stored non-transmitted parameter of the consumer mobile device,***" which in contrast to Mizrah is not transmitted but only stored in the consumer mobile device. On example benefit is a secure and efficient (e.g., if desired, without a secure channel) purchase transaction "***over the open and non-secure wireless communication channel,***" since none of the two consumer mobile device parameters are transmitted over the open and non-secure wireless communication channel, while the consumer mobile device and the STS device can "***verify a purchase transaction ... based upon both the first input non-stored and non-transmitted parameter input to of the consumer mobile device and the second stored and non-transmitted parameter of the consumer mobile device.***"

It is readily apparent that Mizrah transmits the account number and the PIN from the device of the account holder to the back office. Further, nothing has been cited or found that Mizrah inherently or necessarily does not transmit the account number and the PIN. Further, Mizrah column 9, lines 20-43 discusses 'the back office may be accessed by an account holder through various dedicated communication lines, which do not have guaranteed security,' but Mizrah appears to overcome such non-guaranteed security by discussing three tiers of security protection that requires two PIN entries and involves transmitting the account number and the two PINs from the account holder device to the back office. In particular, Mizrah column 10, lines 43-57 and step 408 discuss 'the account holder is requested to enter a transaction type specific, static PIN secret number 407 (the second security tier) and a requested random combination of digits from an identity PIN secret number 408 (the third security tier).' However, Mizrah fails to expressly or inherently disclose "... ***the consumer mobile device*** comprising a ***computer controller prompting input of a first input non-stored and non-transmitted parameter*** and a storage ***storing a second non-transmitted parameter***" and "a trusted secure transaction server (STS) device ***of the third party ... storing the first parameter of the consumer mobile device, which is the input non-stored and non-transmitted parameter input to of the consumer mobile device,*** and ***storing the second stored non-transmitted parameter ... the consumer mobile device and the STS device controllers verify a***

purchase transaction between the merchant and the consumer ***over the open and non-secure wireless communication channel*** based upon ***both the first input non-stored and non-transmitted parameter input to the consumer mobile device and the second stored and non-transmitted parameter of the consumer mobile device ...***" So a prima facie case of anticipation cannot be established.

Withdrawal of the rejection of claim 1 and allowance of claim 1 is requested.

Independent claim 37 requires limitations similar to the discussed limitations of independent claim 1.

Dependent claims require patentably distinguishing features of their own, or are at least patentably distinguishing due to their dependencies from the independent claims.

CONCLUSION

There being no further outstanding objections or rejections, it is submitted that the application is in condition for allowance. An early action to that effect is courteously solicited.

Finally, if there are any formal matters remaining after this response, the Examiner is requested to telephone the undersigned to attend to these matters.

If there are any additional fees associated with filing of this Amendment, please charge the same to our Deposit Account No. 19-3935.

Respectfully submitted,
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